

**GENERAL INFORMATION**

**MEMBERS OF THE EXECUTIVE COMMITTEE**

MAYOR	BL MAHLANGU
Councillor :	MJ MABE
Councillor :	BR MADUMO
Chief Whip :	EI MAKGALEMANE
Councillor :	KB MOGAKWE
Councillor :	KL MAMAPULA
Councillor :	MMA MASIA
Councillor :	OP OLIPHANT
Councillor :	KA MALEPE
Speaker :	KJ MORWAGASHWE

**Councillors**

Councillor:	SKWEIT, ME
Councillor :	BASSON, KL
Councillor :	BOTOLO, MJM
Councillor :	DAUMAS, KF
Councillor :	GALODIKWE, KP
Councillor :	GABARONE, DV
Councillor :	KELAOTSWE, LV
Councillor :	SHWABANE, MS
Councillor :	TEISHO, KJ
Councillor :	ITUMELENG, DA
Councillor :	TSHIPO, GJ
Councillor :	TONG, L
Councillor :	KGOSIENG, KM
Councillor :	LETSHABO, HL
Councillor :	MAINE, SA
Councillor :	MALEPE, TV
Councillor :	MASELO, DL
Councillor :	MATLAPENG, TS
Councillor :	MATONG, OM
Councillor :	MODITSE, KB
Councillor :	MOILOA, BT
Councillor :	MOKOPELA, IN
Councillor :	MOKOTO, R
Councillor :	MONTSHO, KG
Councillor :	MORWALELA, OG
Councillor :	MOTHIBI, NL
Councillor :	NONDEYI, NE
Councillor :	OLIFANT, MI
Councillor :	OTSWELWANG, AP
Councillor :	PHEMELO, OJ
Councillor :	RAPATI, GM
Councillor :	SCHOLTZ, AP
Councillor :	SEJAMOHOLO, SD

Councillor : SEREBOLO, TW

**GREATER TAUNG LOCAL MUNICIPALITY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

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**GENERAL INFORMATION** (continued)

**GRADING OF THE LOCAL AUTHORITY**

Grade 3

**AUDITORS**

Auditor - General

**BANKERS**

ABSA BANK - VRYBURG Branch

**REGISTERED OFFICE**

Tel: 053 - 994 9400

Fax: 053 - 994 3917

Taung Municipal Offices  
Main street  
TAUNG  
8590

**ACTING MUNICIPAL MANAGER**

Mr C du Plessis  
BA, BA Hons  
MBA

Approved

Date

**ACTING FINANCE MANAGER**

Mr C du Plessis  
BA, BA Hons  
MBA

Approved

Date

**GREATER TAUNG LOCAL MUNICIPALITY  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

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**FOREWORD OF THE EXECUTIVE MAYOR**

The enactment of the Municipal Finance management Act (No.53 of 2004) has not only established a new regulatory framework that granted us an opportunity to advance the process of transformation of our system of local government, but posed serious challenges on the management of finances and ensuring total compliance

The continuous devolution of powers and functions as well as the assignment of invariable mandates by other spheres of government continue to demand of us a considerable amount of resources. This can only be overcome by cooperation and mutual understanding by other spheres.

When we started unfolding the process of transformation of local government, communities gained high expectations, meeting these expectations will be a celebrated course for all, however anything to the contrary will pose threat and erase the confidence our people have in this important local sphere of government.

Access to decent public service is no longer a privilege enjoyed by a few but a legislative requirement for all citizens including those previously marginalised. This is a key delivery challenge facing our municipality.

We shall as a collective strive to provide democratic and accountable government for local communities, ensure the provision of services to communities and ensure implementation of developmental projects that will lead to social and economical growth.

We shall work on the experiences of the previous financial year to deal with the challenges that we may be faced in the current financial year and drastically improve the speed of service delivery and budget implementation.

We hope that our financial statements will continue to reflect observance of fiscal discipline and adherence to all finance legislations, policies and regulations.

In conclusion I would like to express my appreciation to the Speaker of our Council, Members of the Executive Committee and all other Councillors, the Municipal Manager, the Managers and other staff for their co-operation in managing the affairs of the Greater Taung Municipality.

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B L MAHLANGU

**EXECUTIVE MAYOR**

**TREASURER'S REPORT**

**1 INTRODUCTION**

Appropriate legislation was complied to in order to provide financial statements for the period ending 30 June 2007. To my best knowledge these financial statements are a fair presentation of the Council as at the abovementioned date and the results of its operation for the year then ended.

The operating and accumulated surplus is R25,807,766

**2 OPERATING RESULTS**

Details of the results per department, classification and object of expenditure are included in Appendices D and E. The applicable statistics are shown in Appendix F. The overall operating results for the year ended 30 June 2007 are as follows :

INCOME	Actual	Actual	Actual	Budget	Variance
	2005/2006	2006/2007	Variance	2006/2007	Actual/ Budget
	R	R	%	R	%
Operating Income for the Year	34 282 211	43 245 417	-0.21	67 517 801	-0.36
Opening Surplus/ Deficit	27 102 398	19 767 663	0.37	0	
	<b>61 384 609</b>	<b>63 013 080</b>		<b>67 517 801</b>	
<b>EXPENDITURE</b>					
Closing Surplus	19 767 663	25 807 766	-0.23	20 621 428	0
Operating Expenditure	32 293 925	37 205 314	-0.13	46 896 373	-0.21
Sundry Transfers	9 323 021	0		0	0

**2.1) RATES AND GENERAL SERVICES**

	Actual	Actual	Variance	Budget	Variance
	2005/2006	2006/2007	Actual	2006/2007	Actual/ Budget
	R	R	%	R	%
Income	17 642 612	32 346 393	0	37 540 247	-0.14
Expenditure	26 667 203	33 088 528	0	37 401 288	-0.12
Surplus/(deficit)	<b>-9 024 591</b>	<b>-742 135</b>	<b>11</b>	<b>138 959</b>	

**2.2) LAND USE AND DEVELOPMENT**

	Actual	Actual	Variance	Budget	Variance
	2005/2006	2006/2007	Actual	2006/2007	Actual/ Budget
	R	R	%	R	%
Income	29 179	23 939	0.22	2 257 723	-0.99
Expenditure	1 409 230	1 455 770	(0.03)	2 257 723	-0.36
Surplus/(deficit)	<b>-1 380 051</b>	<b>-1 431 831</b>	<b>(0.04)</b>	<b>0</b>	<b>0</b>

2.3) TRADING SERVICES : ELECTRICITY

		Variance		Variance	
Actual	Actual	Actual	Budget	Actual/	
2005/2006	2006/2007		2006/2007	Budget	
R	R	%	R	%	
Income	14 096 143	5 864 965	1.40	3 974 476	0.48
Expenditure	3 428 041	1 783 705	0.92	3 974 476	-0.55
Surplus/(deficit)	10 668 102	4 081 260	1.61	0	

2.4) TRADING SERVICES : WATER & SANITATION

		Variance		Variance	
Actual	Actual	Actual	Budget	Actual/	
2005/2006	2006/2007		2006/2007	Budget	
R	R	%	R	%	
Income	2 514 277	5 010 120	0.50	1 488 000	2.4
Expenditure	789 451	877 310	0.90	1 484 932	-0.41
Surplus	1 724 826	4 132 810		3 068	

3) CAPITAL EXPENDITURE AND FINANCING

CAPITAL EXPENDITURE

	Actual	Budget	Actual
	2005/2006	2006/2007	2006/2007
Rates and General Services	0	25 332 741	17 484 318
Land & Buildings	1 509 483	64 000	9 517
Roads and Stormwater Drainage	8 869 700	18 614 478	16 063 931
Technical Services	2 820 241	1 219 184	96 350
Library	910 294	130 000	127 636
Community services	2 078 994	166 000	251 655
Water & Sanitation	850 775	800 000	0
Electricity	2 254 593	300 000	0
Furniture & Equipment	283 713	1 205 725	94 454
Finance	112 822	90 000	39 994
Council & Committees	255 014	184 793	72 131
Municipal Manager	39 190	100 000	0
Properties	137 862	2 220 000	0
Other		574 561	342 572
Housing		0	0
Vehicles		670 000	303 167
Civil Defence		0	0
<b>Total</b>	<b>20 122 682</b>	<b>51 671 482</b>	<b>34 885 725</b>

FINANCING OF THE FIXED ASSETS

Revolving Fund	4 095 737	0	3 727 591
Contributions from Operating Income	26 579	0	3 597 843
Other Funds	0	0	10 985 683
Grants & Donations	16 000 366	0	3 700 224
Pudumo grants	0	0	12 874 384
Contribution from special funds			
<b>Total</b>	<b>20 122 682</b>	<b>0</b>	<b>34 885 725</b>

A complete analysis of capital expenditure (budgeted and actual) per department, classification or service is included in Appendix C. More details regarding external loans and internal advances used to finance fixed assets are shown in Appendix B.

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4) **EXTERNAL LOANS, INVESTMENTS AND CASH**

There are no external loans.

	R
Investments on 30 June 2007	10 985 683
Cash resources	2 805 295
Total cash available at 30 June 2007	13 790 978

More information regarding loans and investments is disclosed in Note 8 and Appendix B to the financial statements.

5) **FUNDS AND RESERVES**

More information regarding funds and reserves is disclosed in Notes 1 to 3 and Appendix A to the financial statements.

6) **HOUSING**

Housing loans were written off according to Housing Act 1997.  
Payment of Houses are currently being levied on a 99 year lease agreement.

7) **STORES**

The Stores system has been captured electronically on the Sebata FMS system. The Implementation of the system is now providing better control over the issuing of stationary, groceries and cleaning materials.

**EXPRESSION OF APPRECIATION**

I would like to express my appreciation to all the personnel of the Finance Department who supported me through the financial year. Without their dedication the successes that were reached would not have been possible.

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Acting Chief Financial Officer



BALANCE SHEET AS AT 30 JUNE 2007

	Notes	2006/2007 R	2005/2006 R
<b>CAPITAL EMPLOYED</b>			
STATUTORY FUNDS		6 319 366	6 185 167
Statutory Funds	1	3 727 591	3 715 594
Reserves	3	2 591 775	2 469 573
Unappropriated Surplus	18	25 807 766	19 767 663
		32 127 132	25 952 830
TRUST FUNDS	2	2 081 273	1 810 326
CONDITIONAL GRANTS	4	5 282 467	8 605 386
CONSUMER DEPOSITS	5	108 838	99 482
<b>TOTAL</b>		<b>39 599 710</b>	<b>36 468 024</b>
<b>EMPLOYMENT OF CAPITAL</b>			
PROPERTY PLANT & EQUIPMENT	6	18 574 635	5 490 986
INVESTMENTS	7	14 582 785	-
LONG-TERM DEBTORS	9	-	-
		33 157 421	5 490 986
NET CURRENT ASSETS		6 442 289	30 977 039
CURRENT ASSETS		10 124 905	32 674 594
Inventory	8	178 848	244 950
Debtors	9	7 140 763	4 088 109
Cash resources		2 805 295	3 051 026
Short term investments		-	25 290 509
Short term portion of Long term Debtors		-	-
CURRENT LIABILITIES		(3 682 616)	(1 697 555)
Provisions		(1 649 672)	(1 114 268)
Creditors	11	(2 032 944)	(583 287)
<b>TOTAL</b>		<b>39 599 710</b>	<b>36 468 024</b>

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2005/2006 Actual Income R	2005/2006 Actual Expenditure R	2005/2006 Actual Surplus/ (Deficit) R	2005/2006 Budgeted Surplus/ (Deficit) R		2006/2007 Actual Income R	2006/2007 Actual Expenditure R	2006/2007 Actual Surplus/ (Deficit) R	2006/2007 Budgeted Surplus/ (Deficit) R
17 642 612	26 667 203	(9 024 591)	(10 256 232)	<b>RATE AND GENERAL SERVICES</b>	32 346 393	33 088 528	(742 135)	138 959
10 852 860	22 448 284	(11 595 424)	(12 148 316)	<b>Community Services</b>	20 937 465	28 848 118	(7 910 653)	138 959
6 789 752	4 218 919	2 570 833	1 892 084	<b>Economic Services</b>	11 408 928	4 240 410	7 168 518	-
29 179	1 409 230	(1 380 051)	(1 757 297)	<b>HOUSING SERVICE</b>	23 939	1 455 770	(1 431 831)	-
16 610 420	4 217 492	12 392 928	11 533 467	<b>TRADING SERVICES</b>	10 875 085	2 661 016	8 214 069	3 068
<b>34 282 211</b>	<b>32 293 925</b>	<b>1 988 286</b>	<b>(480 062)</b>	<b>TOTAL</b>	<b>43 245 417</b>	<b>37 205 314</b>	<b>6 040 103</b>	<b>142 026</b>
Appropriation for the year		(9 323 021)						
Net (Deficit) /Surplus for the Year		(7 334 735)		Net (Deficit) /Surplus for the Year			6 040 103	
Accumulated Surplus beginning of the year		27 102 398		Accumulated Surplus beginning of the year			19 767 663	
<b>ACCUMULATED SURPLUS END OF THE YEAR</b>		<b>19 767 663</b>		<b>ACCUMULATED SURPLUS END OF THE YEAR</b>			<b>25 807 766</b>	

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
<b>CASH (UTILISED)/RETAINED FROM OPERATING ACTIVITIES</b>		<b>(6 811 043)</b>	19 094 792
Cash utilised by operations	19	5 883 680	(2 353 617)
Investment income	22	2 112 028	1 610 747
Decrease/(Increase) in working capital	20	(11 106 528)	3 837 296
<u>Less</u> : External Interest Paid		(3 110 819)	3 094 426
		-	-
<b>Cash utilised from operations</b>		<b>(3 110 819)</b>	3 094 426
Cash contributions from the public and the state		(3 700 224)	16 000 366
<b>CASH UTILISED IN INVESTING ACTIVITIES</b>		<b>17 484 318</b>	(20 122 682)
Decrease/ (Increase) in Long term debtors		-	-
Investments in Fixed assets		17 484 318	(20 122 682)
<b>NET CASH INFLOW /(OUT FLOW)</b>		<b>10 673 275</b>	(1 027 890)
<b>CASH EFFECTS FROM FINANCING ACTIVITIES</b>			
(Increase)/Decrease in Consumer Deposits		(108 838)	865
(Increase)/decrease in cash on hand	24	(2 564 436)	(2 823 609)
(Increase) / decrease in Investments	23	(8 000 000)	3 850 634
<b>NET CASH UTILISED/GENERATED</b>		<b>(10 673 275)</b>	1 027 890

	2007	2006
<b>1 Accumulated Funds</b>		
Revolving Fund	3 727 591	3 715 594
Asset Financing Fund	-	-
(refer to Appendix A for more details)	3 727 591	3 715 594
<b>2 Trust Funds</b>		
IM Keeton	5 598	5 286
Waterprovision	190 645	190 645
Refuse dumping (AFF account)	115 449	14 351
Electricity	23 368	23 368
Working Capital	1 491 856	1 378 473
Bophirima grants	3 470	3 470
Measure costs	9 005	9 005
Eco Greening Fund	7 580	4 972
Workplace Skills development	234 302	180 756
(refer to Appendix A for more details)	2 081 273	1 810 326
<b>3 Reserves</b>		
Repairs Fund	1 068 798	1 068 798
Equipment	1 060 638	972 877
Maintenance Fund	403 747	373 693
Insurance	58 591	54 204
(refer to Appendix A for more details)	2 591 775	2 469 573
<b>4 Grants Funds</b>		
Local Government Support Grant	(708 644)	(762 715)
Transitional Grant	488 103	450 924
Establishment Grant	951 668	872 924
LED Beehive	449 842	643 772
Totayatau Sportground Grant	(141 681)	(14 200)
Premiers Humanitarian Fund	61 884	61 884
Housing Fund	319 465	2 215 126
Indigent	8 583	21 029
Seking,Seoding Water Project	394 280	394 280
Disaster Management	970 750	915 739
MSIG Grant	292 321	292 698
Taung Cenral Public Lightning	374 783	(425 059)
MIG Grant	659 862	1 788 418
Buxton Tourism,Arts & Culture	965 431	985 420
Library	(1 193 551)	(959 355)
Redevelope Taung CBD	(429 000)	1 687 708
Renovate Buildings	183 647	183 647
Magogong Access Road	(351 646)	2 453 406
Chiefscourt Access Road	(215 632)	(933 343)
Matlhako Road Projects	(52 593)	(52 593)
Majeakgoro Electricity 11 Houses	(25 892)	(25 892)
Boipelo Hostel	(159 864)	(356 510)
Pudimoe Housing	137 096	(368 710)
Botshelo Access Road	3	3
Molelema Access Road	396 258	(312 246)
LED Taung	121 751	(122 186)
Molelema Village Hall	47 736	(28 784)
Lower Majeakgoro Access Road	79 964	-
Mokgareng Stormwater	597 030	-
Walk-In Training Centre	872 100	-
Taung Flood Damaged Roads	397 875	-
Galaote Stormwater	(209 463)	-
	5 282 467	8 605 386

5 **Consumer Deposits**

Users deposit

108 838	99 482
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6 **Fixed Assets**

Fixed assets at the beginning of the year  
Capital Expenditure during the year  
Less : Assets written off, transferred or disposed of during the year  
Long-term Debtors

53 536 704	33 414 022
17 484 318	20 122 682
(253 865)	-
-	-
70 767 156	53 536 704
52 192 521	(48 045 718)
18 574 635	5 490 986

Less : Loans Redeemed and Other Capital Receipts

(Refer to Appendix C for more details)

7 **Investments**

Unlisted

Fixed Deposit  
Cash resources  
Short term deposits

-	-
14 582 785	-
-	-
-	25 290 509
14 582 785	25 290 509

Managements Valuations of Unlisted investments

Average Rate of Return on Investments

14 582 785 25 290 509  
8.0% 8.00%

Funds are invested according to Circular No C/46/1994 issued by the Provincial Administration  
Community Services Branch with approved Banking Institutions.

No investments have been written off during the year.

No investments have been pledged as security for any funding facilities of the council.

8 **Stock**

Fuel  
Other

178 848	244 950
16 799	71 847
162 049	173 103

9 **Debtors**

Current Debtors

Sundry  
Refuse  
Sewerage  
Electricity  
Water  
Rates & Taxes  
Flat Rate

664 949	1 596 133
1 355 158	637 676
1 118 767	471 333
854 665	611 842
648 954	521 605
5 751 504	3 238 528
3 031 895	3 520 654
13 425 892	10 597 771
-	-
13 425 892	10 597 771
(9 437 429)	(9 439 541)
3 988 463	1 158 230
1 832 149	2 045 701
1 320 150	884 178
7 140 763	4 088 110

Less provision for Bad debts

Other Debtors

VAT SARS  
Electricity deposit paid - Eskom  
Other  
Special funds

**Bad Debt Provision**

Provision for Bad debts was made for all debtors outstanding for more than 90 days

The amount owed by Government iro property rates at Pudimoe dates back as far as 1996/7 financial year, since then nothing has been paid to Council

We received a telephony enquiry from the government on the ownership of the property. None of the Government properties at Pudimoe are registered at the Deeds office. Those are properties which belonged to former Bophutatswana Government.

- 10 Debtors average days outstanding: 452 days

Leave Gratuity  
Provision for Back pay: Salaries  
Provision for Audit fees

1 340 033	1 114 268
309 639	-
-	-
1 649 672	1 114 268

- 11 Creditors

Trade Creditors  
Debtors Paid in Advance  
VAT SARS  
Deposits  
Other

559 719	95 057
-	94 291
1 473 225	367 642
-	-
-	26 297
2 032 944	583 287

- 12 Assessment Rates

	Valuation as at 1 April 2004		Assesment of Improvements	Assesment of Land	Total	Actual Income 2007
	Land Value	Value of Improvements				
			0.02352	0.03910		
Residential	2 625 970	100 237 280	2 357 581	102 675	2 460 256	2 460 256
Commercial	404 750	73 156 500	1 720 641	15 826	1 736 467	1 736 467
State	1 077 070	43 833 620	1 030 967	42 113	1 073 080	1 073 080
	4 107 790	217 227 400	5 109 188	160 615	5 269 803	
Less: Rebates					762 687	(762 687)
Pudimoe levies					4 507 116	4 507 116
					-	-
<b>Total</b>					<b>4 507 116</b>	<b>4 507 116</b>

Valuations on land and improvements are performed every ten years and the last general valuation came into effect on 1 July 1996. The basic rate was .0391c per Rand on Land and 0.02352 c per Rand on Improvements. The following rebates were granted : 40% for pensioners & 20% for residential properties. The 2 towns Pudimoe & Taung has not been valuated and are charged a flat rate.

- 13 Councillor's Remuneration

Mayor's Allowance  
Speaker's Allowance  
Exco's Allowance  
Councillor's Allowance

420 432	244 231
339 024	213 565
2 868 048	1 503 523
4 305 708	2 474 924
7 933 212	4 436 243

- 14 Auditor's Remuneration

Audit Fees

200 700	214 912
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- 15 Finance Transactions

Total external interest earned or paid :

Interest earned  
Interest paid

2 112 028	1 610 747
-	-
2 112 028	1 610 747

Capital Charges debited to operating account :

Interest :

External  
Internal

Redemption :

External  
Internal

	133 644
	133 644
	404 074
	404 074
	537 718

16 Appropriations

Appropriation account :

Accumulated (deficit) / surplus at the beginning of the year

Operating (deficit) / surplus for the year

Appropriations for the year

Contribution to provision for bad debtors  
Other  
Creditors previous years  
Internal loans  
VAT Adjustment  
VAT Provision (Service Debtors)  
Funds, Reserves and Provisions  
Stock adjustment

19 767 663	27 102 398
6 040 103	1 988 286
	(9 323 021)
-	(5 636 029)
-	84 340
-	339 760
-	(598 279)
-	(847 694)
-	(945 481)
-	(1 697 380)
-	(22 259)
25 807 766	19 767 663

Operating account

Capital Expenditure

167 641	26 579
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Contributions to :

Revolving fund  
Asset Financing Fund  
Local Government Support Grant  
Working Capital  
Assets  
Workplace Skills development  
Provision for Staff Leave

11 997	937 926
-	-
-	-
-	250 000
167 641	26 579
50 307	-
225 765	759 454
455 710	1 973 959

17 Cash utilised/generated by operations

Surplus /(Deficit) for the year

Adjustments for :

Previous year's operating transactions

Appropriations charged against income :

- Revolving Fund  
- Asset Financing Fund  
- Prov and Reserves  
- Trust Funds  
- Capital Outlay

Capital Charges

\* Interest paid

- To internal funds  
- On external Loans

\* Redemption

- On internal advance  
- On external Loans

Investment Income credited to operating account

Non operating income

Non Operating Expenditure charged against Provisions and Reserves

Net Income from Grants

Non Operating Expenditure charged against Funds

6 040 103	1 988 286
(72 429)	(9 323 021)
765 349	1 973 959
11 997	937 926
-	-
535 404	759 454
50 307	250 000
167 641	26 579
-	626 649
-	133 644
-	133 644
-	-
-	493 005
-	493 005
-	-
2 112 028	(1 610 747)
47 070 334	31 104 337
-	-
-	-
(50 031 707)	(27 113 080)
5 883 680	(2 353 617)

18 Cash utilised to increase working capital

(Increase) in Inventory

(Increase)/Decrease in Debtors

Increase/(Decrease) in Creditors

(66 102)	349 667
(12 490 082)	3 168 361
1 449 657	319 268
(11 106 528)	3 837 296

19 **Investment income :**

- Interest received on external investments
- Interest received on car loans

2 112 028	2 437 147
-	-
2 112 028	2 437 147

20 **(Decrease)/Increase in cash investments comprises :**

- Investments realised
- Investments made

23 000 000	3 850 634
(15 000 000)	-
8 000 000	3 850 634

21 **Increase / Decrease in Cash on hand:**

- Bank Balance at beginning of year
- Bank Balance at the end of year

4 934 092	(227 417)
2 369 656	3 051 026
2 564 436	(2 823 609)

22 **Retirement benefits**

The Greater Taung Municipality and employees contribute to the undermentioned pension funds

- 1) Cape Joint Fund
- 2) Sala Pension Fund
- 3) Government Employees Pension Fund
- 4) Transvaal Pension Fund
- 5) Municipal Gratuity Fund

The percentage contribution on gross salary are as follows

- 1) Cape Joint Fund
- 2) Sala Pension Fund
- 3) Government Employees Pension Fund
- 4) Transvaal Pension Fund
- 5) Municipal Gratuity Fund

Council	Members
18.00%	9.00%
18.07%	8.06%
15.00%	7.50%
22.00%	7.50%
22.00%	7.50%

23 **Capital Commitments**

Commitments in respect of capital expenditure

- Approved and Contracted for
- Approved but not Contracted for
- Total

-	-
26 078 580	13 297 493
26 078 580	13 297 493

This expenditure will be financed from

- Contributions ex revenue
- External/Internal Loans
- External Sources (Grants)
- Total

-	-
5 639 580	4 309 493
20 439 000	8 988 000
26 078 580	13 297 493

24 **Revolving Fund**

- Accumulated Funds
- Debtors

3 727 591	(3 715 594)
426 072	426 072
4 153 664	(3 289 521)



25 ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE ACT

25.1	<b>Contributions to organized local government (SALGA)</b>		
	Amount paid during current year.	53 899	65 828
25.2	<b>Skills development levies paid</b>	87 870	92 007
25.3	<b>DM levies paid to the Bophirima District Municipality</b>	-	34 693
26	<b>EMPLOYEE RELATED COSTS</b>		
	Employee related costs - Salaries and Wages	10 376 955	-
	Employee related costs - UIF	82 509	-
	Employee related costs - Pensions	1 321 921	-
	Employee related costs - Contributions for Medical Aid	638 922	-
	Travel, motor car and other allowances	742 682	-
	Housing benefits and allowances	47 312	-
	Annual bonus	753 924	-
	<b>TOTAL</b>	<b>13 964 225</b>	
	<b>Remuneration of senior managers</b>		
	Municipal Manager	572 364	539 320
	Chief Financial Officer	451 476	436 380
	Director Corporate Services	451 476	436 380
	Director Technical Services	451 476	400 015
	Director Community Services	451 476	436 380
	Director Landuse and Development	451 476	436 380
	Total	<b>2 829 744</b>	<b>2 684 855</b>
	<b>Remuneration of the Municipal Manager</b>		
	Annual Remuneration	572 364	539 320
	Performance Bonuses	-	-
	Car Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	5 724	5 393
		<b>566 640</b>	<b>533 927</b>
	<b>Remuneration of Director technical services.</b>		
	Annual Remuneration	451 476	400 015
	Performance Bonuses	-	-
	Car Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	4 515	4 000
		<b>446 961</b>	<b>396 015</b>
	<b>Remuneration of Director community services.</b>		
	Annual Remuneration	451 476	436 380
	Performance Bonuses	-	-
	Car Allowance	-	-
	Housing Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	4 515	4 364
		<b>446 961</b>	<b>432 016</b>
	<b>Remuneration of the Corporate Manager</b>		
	Annual Remuneration	451 476	436 380
	Performance Bonuses	-	-
	Housing Allowance	-	-
	Car Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	4 515	4 364
		<b>446 961</b>	<b>432 016</b>
	<b>Remuneration of the director Land use and development</b>		
	Annual Remuneration	451 476	436 380
	Performance Bonuses	-	-
	Housing Allowance	-	-
	Car Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	4 515	4 364
		<b>446 961</b>	<b>432 016</b>
	<b>Remuneration of the Finance Manager</b>		
	Annual Remuneration	451 476	436 380
	Performance Bonuses	-	-
	Phone Allowance	-	-
	Car Allowance	-	-
	Skills Development and other contributions	-	-
	Contributions to UIF, Medical and Pension Funds	4 515	4 364
		<b>446 961</b>	<b>432 016</b>

	2007	2006
<b>27 COUNCILLOR'S REMUNERATION</b>		
Salaries and remuneration	3 022 272	-
Housing	-	-
Cell-phone	276 012	-
Travel	1 007 424	-
<b>Total</b>	<b>4 305 708</b>	<b>2 474 924</b>
<b>Mayor's Allowance</b>		
Salaries & wages	305 268	-
cell-phone	13 404	-
Travel	101 760	-
<b>Total</b>	<b>420 432</b>	<b>244 231</b>
<b>Speakers allowance</b>		
Salaries & wages	244 212	-
Cell-phone	13 404	-
Travel	81 408	-
<b>Total</b>	<b>339 024</b>	<b>213 565</b>
<b>Exco Allowances</b>		
Salaries & wages	2 060 532	-
Cell-phone	120 636	-
Travel	686 880	-
<b>Total</b>	<b>2 868 048</b>	<b>1 503 523</b>
<b>28 GOVERNMENT GRANTS AND SUBSIDIES</b>		
Equitable share	30 599 670	25 481 580
FMG grant	500 000	500 000
Library Subsidy	350 000	350 000
MSIG Grant	734 000	734 000
MIG Grant	18 988 000	7 593 694
<b>Total Government Grant and Subsidies</b>	<b>51 171 670</b>	<b>34 659 274</b>
<b>Equitable Share</b>		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigent receive a monthly subsidy of R 112 (2004: R101), which is funded from this grant.		
<b>MIG Grant</b>		
Balance unspent at the beginning of year	3 650 188	-
Current year receipts	18 988 000	7 593 694
Conditions met - transferred to liabilities	(16 406 503)	(3 943 506)
	<b>6 231 685</b>	<b>3 650 188</b>
This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas. No funds have been withheld.		
<b>FMG Grant</b>		
Balance unspent at the beginning of year	750 000	-
Current year receipts	500 000	250 000
Conditions met - transferred to liabilities	(110 632)	500 000
	<b>1 139 368</b>	<b>750 000</b>
<b>MSIG Grant</b>		
Balance unspent at the beginning of year	441 302	-
Current year receipts	734 000	734 000
Conditions met - transferred to liabilities	(647 162)	(292 698)
	<b>528 140</b>	<b>441 302</b>
<b>Library Subsidy</b>		
Balance unspent at the beginning of year	-	-
Current year receipts	350 000	350 000
Conditions met - transferred to liabilities	(350 000)	(350 000)
	<b>-</b>	<b>-</b>
<b>Provincial LED Projects</b>		
Balance unspent at beginning of year	-	-
Balance unspent at the beginning of year	-	-
Current year receipts	40 000	-
Conditions met - transferred to liabilities	40 000	-
	<b>40 000</b>	<b>-</b>
Provincial LED Project grants are used to promote Small,Medium & Micro Enterprises The grant is spent in accordance with a business plan approved by the Provincial Government. No funds have been withheld.		
<b>Contributions to organized local government</b>		
Opening balance	-	-
Council subscriptions	63 349	-
Amount paid - current year	(63 349)	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

**Audit Fees**

Opening balance	-	-
Current year audit fee	200 700	214 912
Amount paid - current year	(200 700)	(214 912)
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

The balance unpaid represents the audit fee for an interim audit conducted during May and June 2006 and is payable by 31 July 2006.

**VAT**

Opening balance	367 642	-
Current year input VAT	-	-
Current year output VAT	-	-
Amount paid (received) - previous year	<b>1 473 225</b>	<b>367 642</b>

29 **ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT**  
(Continued)

	2007 R	2006 R
<b>PAYE</b>		
Opening balance	-	-
Current year payroll deductions	3 158 419	-
Amount paid - current year	(3 158 419)	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>
The balance represents PAYE and UIF deducted from the June 2006 payroll. These amounts were paid during July 2006.		
<b>UIF</b>		
Opening balance	-	-
Current year payroll deductions	-	-
Amount paid - current year	(82 509)	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>(82 509)</b>	<b>-</b>
<b>Medical Aid Deductions</b>		
Opening Balance	-	-
Current year payroll deductions and Council Contributions	638 922	-
Amount paid - current year	(638 922)	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>
<b>Pension Deductions</b>		
Opening Balance	-	-
Current year payroll deductions and Council Contributions	1 321 921	-
Amount paid - current year	(1 321 921)	-
Amount paid - previous years	-	-
<b>Balance unpaid (included in creditors)</b>	<b>-</b>	<b>-</b>

The balance represents pension and medical aid contributions deducted from employees in the June 2007 payroll as well as Council's contributions to pension and medical aid funds. The amounts were paid during July 2007.

30 **Bank accounts**

<b>Current account (Primary bank account)</b>		
ABSA ; Taung branch		
Account number 2650560046		
Cash book balance at beginning of year	4 934 092	(227 417)
Cash balance at end of year	2 369 656	3 051 026
<b>Disaster management account</b>		
ABSA; Taung ranch		
Account number 4064847486		
Cash book balance at beginning of year	429 845	-
Cash balance at end of year	435 638	429 845

31 **Unauthorized,irregular, fruitless and wasteful expenditure**  
No known material unauthorized,irregular,fruitless and wasteful expenditure occurred during the year.

## ACCOUNTING POLICY

### 1 BASIS OF PRESENTATION

- 1.1 These Financial Statements have been prepared so as to comply with the Standard laid down by the Institute of Municipal Finance Officers(IMFO) and report on the Standardisation of the Financial Statements of Local Authorities
- 1.2 The Financial Statements are prepared on the Historical Cost Basis adjusted for Capital Expenditure as more fully detailed in note two.  
The Accounting Policies are consistent with those applied in the previous year, except if otherwise indicated.
- 1.3 The Financial Statements are prepared on the accrual basis :
  - Income is accrued when collectable and measurable. Certain direct income is accrued when received, such as Traffic Fines and certain Licenses.
  - Expenditure is accrued in the year it is incurred.

### 2 CONSOLIDATION

The Balance Sheet includes Rates and General Services, Housing Service, Trading Service and the different Funds, Reserves and Provisions. All inter departmental charges are set-off against each other, with the exception of Assessment Rates, Refuse Removal, Electricity and Water, which is treated as income and expenditure in the respective Departments.

### 3 FIXED ASSETS

#### 3.1 *Fixed assets are stated :*

- at historical cost, or
  - at valuation (based on market price at date of acquisition), where assets have been acquired by Grant or Donation.
- while they are fit for use.

#### 3.2 *Depreciation :*

The balance shown against the heading " Loans Redeemed and Other Capital Receipts" in the notes to the Balance Sheet is tantamount to a provision for Depreciation. Apart from Advances from the various Council Funds, assets may also be acquired through :

- appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income and therefore it is unnecessary to make any further provision for depreciation
- grants and donations, where the amount representing the value of such grant or donation is immediately credited to the " Loans Redeemed and Other Capital Receipts" account.

3.3 All net proceeds from the sale of fixed assets are credited to the Revolving Fund.

3.4 Capital Assets are financed from different sources, including external loans, operating income and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans and advances. Interest is charged at the ruling interest rate applicable at the time the advance is made and is charged to the service concerned.

### 4 STOCK

Stock is reflected in the Balance Sheet at the real cost.

**ACCOUNTING POLICY (continued)**

**5 FUNDS AND RESERVES**

**5.1 STATUTORY FUND**

*Revolving Fund*

The Revolving Fund Ordinance No. 20 of 1974 requires a minimum contribution of seven and a half percent of the product of assessment rates in respect of the Financial Year immediately preceding the Financial Year for which such contribution is required to be made.

As from 1 July 2004 the Revolving Fund will cease to exist. An Asset Financing Fund will be established. The fund will be administered in terms of GAMAP requirements.

**5.2 RESERVES**

*Maintenance Fund*

The fund originated in the former Reivilo Council contribute on a yearly basis the amount as approved in the budget to ensure that a reserve is in place to cover inexorbitant expenditure on assets as approved by Council.

*Equipment Reserve*

As a new Municipality Council does not have enough capital. As a result of a limited budget to purchase equipment for roads maintenance. Council resolved that a equipment reserve fund be established to acquire capital equipments and that annual contribution be made towards this fund.

*Equipment*

Maintenance Fund is money set aside to make provision should there be a breakdown or an event occurs whereby fixed assets needs to be returned to working conditions. The Maintenance Fund and Capital Maintenance Fund are two funds serving the same purpose. Maintenance Fund was kept by Reivilo TLC and Capital Maintenance by Pudimoe TRC. Both funds was merged to form one fund.

This is not self insurance fund, money claimed from the insurance is kept into this fund. This fund is used in cases where the insurance turns down a claim.

**5.3 PROVISIONS**

Provisions are utilised for the specific purposes and contributions are made from the operating account.

**5.4 TRUST FUNDS**

Funds are paid to the Council for specific purposes and consists of Grants and Subsidies from the public or higher Authorities. Interest is proportionately allocated on year-end balances.

**5.5 GRANTS**

All Government Grants except equitable share are Conditional Grants. Separate bank accounts have been opened for each grant as required by the Provincial Government. The Provincial Government and Greater Taung Municipality are both signatories of the Funds ie Local Government Support Grant Grants represent all the Conditional Grants that have been paid out to Greater Taung Municipality and are utilised in accordance to the business plans as submitted to Provicial & National Government.

**5.6 CONSUMER DEBTORS**

All consumers are required to pay a deposit equating to two months consumption of Electricity and water services. This service is provided only at Reivilo. The deposit is only refunded once the service is terminated. Interest is not paid on deposits.

**6 RETIREMENT BENEFITS**

The employees of the Greater Taung Municipality contribute to the Cape Joint Retirement Fund, the South African Local Authorities Pension Fund, the Government Pension Fund, the Transvaal Municipal Pension Fund and the Gratuity Fund.

These funds are subject to the pension fund act , 1956 with pensions being calculated on the final pensionable remuneration paid.

Current contributions are charged against the operating income at the different rates as indicated by the different funds administrators on the basic salary paid to employees.

Full actuarial valuations are performed at least every three years.

**7 SURPLUSES AND DEFICITS**

Any surpluses or deficits arising from the operation of the Electricity and Water Services and the Rate and General Services are transferred to the Surplus Account at year end.

**8 LEASED ASSETS**

Fixed assets held under finance leases are capitalised. Such assets are effectively amortised over the term of the lease agreement.

Lease finance charges are allocated to accounting periods over the duration of the leases, by the effective interest rate method, which reflects the extent and cost of lease finance utilised in each accounting period.

All other leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the assets concerned.

**9 TREATMENT OF ADMINISTRATION AND OTHER OVERHEAD EXPENSES**

Administration charges are allocated to each department.  
Interdepartmental users are charged and debited to each user department.

**10 INVESTMENTS**

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and are invested according to the provisions contained in Circular No. C/46/1994 issued by the Provincial Legislature

**11 INCOME RECOGNITION**

*11.1 Electricity and Water Billing*

All electricity and water meters are read and invoiced on a monthly basis. If a reading cannot be obtained an estimated reading, based on the average consumption is made. Income is recognised on the date when invoicing is done.

*11.2 Assessment Rates*

Assessment Rates are levied at different tariffs for the land and improvements. Rebates are granted according to Council's Policy. Income is recognised when the annual levies are done.

A flat rate was incorporated to levy the houses that have not been Valuated.

ACCUMULATED FUNDS, TRUST FUNDS, PROVISIONS AND RESERVES

	Balance at 2006-06-30	Contributions during the Year	Interest on Investments	Other Income	Expenditure OR JNL during the Year	Balance at 2007-06-30
<b>ACCUMULATED FUNDS</b>						
Revolving Fund	3 715 594	-	-	11 997	-	3 727 591
<b>Total</b>	<b>3 715 594</b>	<b>-</b>	<b>-</b>	<b>11 997</b>	<b>-</b>	<b>3 727 591</b>
<b>CONDITIONAL GRANTS</b>						
Local Government Support Grant	(762 715)	-	54 070	-	-	(708 644)
Tax base	-	-	-	-	-	-
Transitional Grant	450 924	(6 708)	43 887	-	-	488 103
Establishment Grant	872 924	-	78 744	-	-	951 668
LED Beehive	643 772	-	118 569	-	312 499	449 842
Totayatau Sportground Grant	(14 200)	-	-	-	127 481	(141 681)
Premiers Humanitarian Fund	61 884	-	-	-	-	61 884
Housing Fund	2 215 126	-	181 938	-	2 077 600	319 465
Indigent	21 029	-	364	-	12 810	8 583
Seking,Seeding Water Project	394 280	-	-	-	-	394 280
Disaster Management	915 739	-	-	201 000	145 989	970 750
MSIG Grant	292 698	-	-	743 000	743 377	292 321
Taung Cenral Public Lightning	(425 059)	-	-	2 546 209	1 746 367	374 783
MIG Grant	1 788 418	-	-	21 142 483	22 271 039	659 862
Buxton Tourism,Arts & Culture	985 420	-	-	-	19 990	965 431
Library	(959 355)	-	-	-	234 196	(1 193 551)
Redevelope Taung CBD	1 687 708	-	-	-	2 116 708	(429 000)
Renovate Buildings	183 647	-	-	-	-	183 647
Magogong Access Road	2 453 406	-	-	-	2 805 052	(351 646)
Chiefscourt Access Road	(933 343)	-	-	1 395 374	677 662	(215 632)
Matlhako Road Projects	(52 593)	-	-	140 951	140 951	(52 593)
Majeakgoro Electricity 11 Houses	(25 892)	-	-	-	-	(25 892)
Boipelo Hostel	(356 510)	-	-	206 182	9 536	(159 864)
Pudimoe Housing	(368 710)	-	-	505 806	-	137 096
Botshelo Access Road	3	-	-	-	-	3
Molelema Access Road	(312 246)	-	-	1 070 000	361 496	396 258
Myra Culver Repairs	-	-	-	-	-	-
LED Taung	(122 186)	-	-	749 561	505 624	121 751
Molelema Village Hall	(28 784)	-	-	1 516 507	1 439 987	47 736
Lower Majeakgoro Access Road	-	-	-	1 900 000	1 820 036	79 964
Mokgareng Stormwater	-	-	-	1 500 000	902 970	597 030
Walk-In Training Centre	-	-	-	1 100 000	227 900	872 100
Taung Flood Damaged Roads	-	-	-	11 451 000	11 053 125	397 875
Gataote Stormwater	-	-	-	-	209 463	(209 463)
<b>Total</b>	<b>8 605 386</b>	<b>(6 708)</b>	<b>477 573</b>	<b>46 168 072</b>	<b>49 961 857</b>	<b>5 282 467</b>
<b>RESERVES</b>						
Repairs Fund	1 068 798	-	-	-	-	1 068 798
Behuising - Instandhouding	373 693	-	30 054	-	-	403 747
Insurance	54 204	-	4 387	-	-	58 591
Equipment	972 877	-	87 761	-	-	1 060 638
<b>Total</b>	<b>2 469 573</b>	<b>-</b>	<b>122 202</b>	<b>-</b>	<b>-</b>	<b>2 591 775</b>
<b>TRUST FUNDS</b>						
IM Keeton	5 286	-	312	-	-	5 598
Waterprovision	190 645	-	-	-	-	190 645
AFF Account	14 351	-	170 948	-	69 850	115 449
Electricity	23 368	-	-	-	-	23 368
Working Capital	1 378 473	-	113 383	-	-	1 491 856
Bophirima grants	3 470	-	-	-	-	3 470
Measure costs	9 005	-	-	-	-	9 005
Eco Greening Fund	4 972	-	2 609	-	-	7 580
Workplace Skills development	180 756	50 307	3 239	-	-	234 302
<b>Total</b>	<b>1 810 326</b>	<b>50 307</b>	<b>290 490</b>	<b>-</b>	<b>69 850</b>	<b>2 081 273</b>
<b>PROVISIONS</b>						
Leave Gratuity	1 114 268	225 765	-	-	-	1 340 033
Audit fees	-	309 639	-	-	-	309 639
Provision for Back pay: Salaries	-	-	-	-	-	-
<b>Total</b>	<b>1 114 268</b>	<b>535 404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 649 672</b>

Note: The Capital Maintenance Reserve and the Repairs fund was consolidated. Refer to Accounting Policy



## Appendix B

GREATER TAUNG LOCAL MUNICIPALITY

22

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

APPENDIX B: INTERNAL ADVANCES TO BORROWING SERV.

	Balance 2006-07-01	Received during the Year	Redeemed, written off during the Year	Balance 2007-06-30
Revolving fund	5 490 986	-	5 064 914	426 072
Total Council Loans	5 490 986	-	5 064 914	426 072

2006 Expenditure	SERVICE	2007 Budget	Balance at 2006/06/30	2007 Expenditure	Written off, transferred, redeemed or disposed of during the Year	Balance at 2007/06/30
R		R	R	R	R	R
17 017 313	<b>RATE AND GENERAL SERVICES</b>	25 332 741	43 962 743	17 484 318	253 865	61 193 196
<b>17 017 313</b>	<b>Community Services</b>	<b>25 238 741</b>	<b>40 417 861</b>	<b>17 401 408</b>	<b>253 865</b>	<b>57 565 404</b>
283 713	Admin: office equipment	1 205 725	2 475 880	94 454	-	2 570 334
-	Civil Defence	-	9 600	-	-	9 600
910 294	Library	130 000	926 880	127 636	-	1 054 516
8 869 700	Roads	18 614 478	12 648 196	16 063 931	-	28 712 127
2 820 241	Technical Services	1 219 184	4 492 839	96 350	-	4 589 189
137 862	Properties	2 220 000	14 455 874	-	-	14 455 874
-	Vehicles	670 000	1 413 089	303 167	253 865	1 462 391
112 822	Finance	90 000	112 822	39 994	-	152 817
2 078 994	Community Services	166 000	2 078 994	251 655	-	2 330 649
255 014	Council & Committees	184 793	255 014	72 131	-	327 145
39 190	Municipal Manager	100 000	39 190	-	-	39 190
-	Other (LED)	574 561	-	342 572	-	342 572
-	Housing	-	-	-	-	-
1 509 483	Land & Development	64 000	1 509 483	9 517	-	1 519 000
-	<b>Economic Services</b>	<b>94 000</b>	<b>3 544 882</b>	<b>82 910</b>	<b>-</b>	<b>3 627 792</b>
-	Refuse	79 000	3 544 882	82 910	-	3 627 792
-	Sewerage	15 000	-	-	-	-
<b>3 105 368</b>	<b>TRADING SERVICES</b>	<b>1 100 000</b>	<b>9 573 960</b>	<b>-</b>	<b>-</b>	<b>9 573 960</b>
2 254 593	Electricity	300 000	4 619 232	-	-	4 619 232
850 775	Water & Sanitation	800 000	4 954 728	-	-	4 954 728
<b>20 122 682</b>	<b>TOTAL FIXED ASSETS</b>	<b>26 432 741</b>	<b>53 536 704</b>	<b>17 484 318</b>	<b>253 865</b>	<b>70 767 156</b>
	<b>LESS : LOANS REDEEMED AND OTHER CAPITAL RECEIPTS</b>		<b>52 033 839</b>	<b>3 700 224</b>	<b>(158 682)</b>	<b>55 892 745</b>
	Loans Redeemed	-	4 411 882	-	(158 682)	4 570 564
	Contributions from Current Income	-	3 597 843	-	-	3 597 843
	Out of Other Sources	-	10 065 131	-	-	10 065 131
	Pudimoe Grants	-	12 721 236	-	-	12 721 236
	Grants & Subsidies	-	21 163 459	3 700 224	-	24 863 683
	Contributions from Special Funds	-	74 288	-	-	74 288
	<b>NET FIXED ASSETS</b>	<b>26 432 741</b>	<b>1 502 865</b>	<b>13 784 094</b>	<b>412 547</b>	<b>14 874 411</b>

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

## APPENDIX D: ANALYSIS OF OPERATING INCOME AND EXPENDITURE

2006 Actual R		2007 Actual R	2007 Budget R
34 282 211	<b>INCOME</b>	43 245 417	28 000 400
25 731 802	- Government and Provincial Grants and Subsidies	19 292 668	22 023 000
407 669	- Income from Assessment Rates	4 507 116	3 701 924
386 008	- Income from Sale of Water	311 137	265 000
1 124 440	- Income from Sale of Electricity	1 158 322	1 140 476
	Other	13 046 107	-
6 632 292	- Income from Services Charges etc.	4 930 067	870 000
32 293 925	<b>GROSS EXPENDITURE</b>	37 205 314	46 896 373
12 060 582	- Salaries, Wages and Allowances	22 029 325	23 902 749
992 989	- General Expenses :Purchase of Electricity	912 842	12497491
89 851	- General Expenses:Purchase of Water	150 334	-
15 829 445	- General Expenses:Other	11 507 759	-
2 456 354	- Repairs and Maintenance	1 170 956	2 101 269
538 125	- Capital Charges	1 266 457	972 286
26 579	- Contribution to Fixed Assets	167 641	5 639 578
300 000	- Contributions	-	50 000
-	- Contributions to conditional grants	-	1 733 000
-	- LESS : Amounts charged out	-	-
32 293 925	<b>NET EXPENDITURE</b>	37 205 314	46 896 373

## FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

## APPENDIX E: DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2006 Actual income	2006 Actual expenditure	2006 surplus / (deficit)	2006 Budgeted Surplus/(deficit)		2007 Actual income	2007 Actual expenditure	2007 surplus / (deficit)	2007 Budget surplus / (deficit)
R	R	R	R		R	R	R	R
17 642 612	26 667 203	(9 024 591)	(10 256 232)	<b>RATES AND GENERAL SERVICES</b>	32 346 393	33 088 528	(742 135)	138 959
10 852 860	22 448 284	(11 595 424)	(12 148 316)	Community Services	20 937 465	28 848 118	(7 910 653)	138 959
1 913 240	152 750	1 760 490	3 035 060	Assessment Rates	4 507 116	-	4 507 116	-
1 337	2 643 870	(2 642 533)	(3 276 613)	Corporate Services	-	3 248 581	(3 248 581)	-
11 802	14 368	(2 566)	(17 500)	Cemeteries	14 065	19 184	(5 119)	-
97	378 016	(377 919)	(478 548)	Library	350 368	601 758	(251 390)	-
2 419 186	646 130	1 773 056	1 614 197	Civic Buildings	4 938 513	744 751	4 193 763	2 769
-	-	-	-	Civil Defence	-	-	-	-
-	786 637	(786 637)	(1 487 839)	Technical Support Services	-	801 744	(801 744)	-
224 222	7 672 984	(7 448 762)	(4 901 026)	Council Gen.Exp	2 681 723	11 927 656	(9 245 933)	(3 274 247)
164	-	164	(3 500)	Pound	73	-	73	-
-	106 410	(106 410)	(65 200)	Council Offices	-	105 083	(105 083)	60 116
5 900	1 626 508	(1 620 608)	(1 607 773)	Municipal Manager	250	1 824 751	(1 824 501)	-
3 655 229	2 406 533	1 248 696	(906 398)	Finance	3 685 762	2 445 450	1 240 312	3 647 391
609	-	609	850	Grazing	-	-	-	-
2 515 632	2 597 679	(82 047)	(712 206)	Roads & Stormwater	4 718 845	4 201 091	517 754	(297 822.00)
40 226	250	39 976	53 480	Traffic Services	-	-	-	-
-	494 005	(494 005)	(554 545)	Local Economic Development	-	300 520	(300 520)	-
-	27 733	(27 733)	(28 700)	Disaster Management	-	41 684	(41 684)	752
4 936	1 732 014	(1 727 078)	(1 492 148)	Parks & Recreation	750	1 532 937	(1 532 187)	-
-	569 662	(569 662)	(695 053)	Mayor	-	806 674	(806 674)	-
-	337 263	(337 263)	(450 000)	Public Participation	-	-	-	-
60 280	255 472	(195 192)	(174 854)	Nursery	40 000	246 254	(206 254)	-
<b>6 789 752</b>	<b>4 218 919</b>	<b>2 570 833</b>	<b>1 892 084</b>	<b>ECONOMIC SERVICES</b>	<b>11 408 928</b>	<b>4 240 410</b>	<b>7 168 518</b>	<b>-</b>
4 700 760	3 388 193	1 312 567	757 636	Refuse	5 821 922	3 391 886	2 430 035	-
2 088 992	830 726	1 258 266	1 134 448	Sewerage	5 587 007	848 524	4 738 483	-
<b>29 179</b>	<b>1 409 230</b>	<b>(1 380 051)</b>	<b>(1 757 297)</b>	<b>LAND USE &amp; DEVELOPMENT</b>	<b>23 939</b>	<b>1 455 770</b>	<b>(1 431 831)</b>	<b>-</b>
29 179	1 409 230	(1 380 051)	(1 757 297)	Land use & Development	23 939	1 455 770	(1 431 831)	-
<b>16 610 420</b>	<b>4 217 492</b>	<b>12 392 928</b>	<b>11 533 467</b>	<b>TRADING SERVICES</b>	<b>10 875 085</b>	<b>2 661 016</b>	<b>8 214 069</b>	<b>3 068</b>
14 096 143	3 428 041	10 668 102	10 170 963	Electricity	5 864 965	1 783 705	4 081 260	-
2 514 277	789 451	1 724 826	1 362 504	Water & Sanitation	5 010 120	877 310	4 132 810	3 068
<b>34 282 211</b>	<b>32 293 925</b>	<b>1 988 286</b>	<b>(480 062)</b>	<b>TOTAL</b>	<b>43 245 417</b>	<b>37 205 314</b>	<b>6 040 103</b>	<b>142 026</b>
		<b>(9 323 021)</b>		Appropriation for this Year (Refer working papers)				
		<b>(7 334 735)</b>		Net (Deficit)/ Surplus for the Year			<b>6 040 103</b>	
		<b>27102398</b>		Accumulated Surplus beginning of the year			<b>19767663</b>	
		<b>19 767 663</b>		<b>ACCUMULATED SURPLUS END OF THE YEAR</b>			<b>25 807 766</b>	